19 May 1964

SOUTH VIETNAM

- 1. General Khanh's position after three and one half months in power is still fragile. He is still showing personal dynamism and determination to put South Vietnam on a more effective war footing. So far, however, he has been unable to move much beyond the planning stages in trying to improve the nation's administrative and military posture.
 - A. South Vietnam is far short of administrative talent on all levels.
 - 1. Bureaucratic rivalries and ill-defined or overlapping authorities are retarding the implementation of pacification and other programs at the provincial level.
 - 2. The continued reshuffling of provincial and district chiefs is aggravating this situation.
 - 3. In addition, Khanh is also still having trouble with some of his civilian ministers, who feel they are not being given sufficient authority.
 - B. We have no firm evidence of any immediate threat to Khanh's position.
 - 1. We know, however, that Khanh does not have the full support of all the military. We also see tentative signs of rivalry among

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- C. Khanh is also being troubled by persistent tension between Buddhists and Catholics.
 - 1. Tri Quang, the militant monk who sparked the Buddhist campaign against Diem, is becoming increasingly critical of Khanh's regime. His immediate aim may be to wrest control from the more moderate Buddhist hierarchy in Saigon, which supports Khanh, but he may ultimately hope to test his strength with Khanh.
 - 2. The execution of Diem's brother Can has aroused little serious concern among Vietnamese but it may contribute to uneasiness among Catholics.
- II. Government forces are maintaining a relatively constant rate of large-scale ground operations against the Viet Cong. Most of the operations are in the critical Mekong Delta, either in reaction to Viet Cong attacks, or designed to engage and destroy hard core VC units.
 - A. Only about one third of these large operations achieve contact with the enemy, but some of the recent operations have displayed effective planning, and caused substantial Communist casualties.

- B. In a few northern provinces, some clear-and-hold operations are having promising results, but the government's ability to maintain long-term control is still doubt-ful. Conditions in most critical provinces are showing little improvement.
- III. In the meantime, the Viet Cong are intensifying pressure throughout the country. Their tactics primarily include propaganda, sabotage, harassing fire, and small-scale attacks.
 - A. This activity is punctuated from time to time by attacks in company or battalion strength by hard-core Viet Cong units.
 - B. The Viet Cong are also singling out chiefs of hamlets, villages, districts and even provinces for assassination. This type of terrorism is designed to deter able administrators from grass-roots exposure, and, coupled with constant political and military harassment, to erode the government's administrative and military posture.
 - C. The brunt of the current Viet Cong activity falls on two densely populated regions--the provinces

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and the coastal plains in the north.

- IV. The military problems facing the South Vietnamese are being complicated by border incidents with Cambodia and by deteriorating governmental control in Laos.
 - A. There is no doubt that South Vietnamese forces have crossed the Cambodian border at least twice in recent weeks. Sihanouk has claimed each time that they have wantonly attacked Cambodian villages, causing casualties.
 - B. It is also clear, however, that on each occasion the South Vietnamese have been pursuing Viet Cong guerrillas who use Cambodia as a sanctuary and as an operations base.
 - C. Recent Communist military gains in Laos, together with gradual improvement of land routes in Southern North Vietnam and Laos, are giving the North Vietnamese the potential for greatly stepped-up aid to the Viet Cong.